

Plaintiffs' Exhibit 130

Message

From: Nirmal Jayaram [nirmaljayaram@google.com]
Sent: 12/6/2018 6:37:12 PM
To: David Maymudes [davidmay@google.com]
CC: Roshan Khan [roshank@google.com]; Brad Bender [bradbender@google.com]; Tobias Maurer [tmaurer@google.com]; Bahman Rabii [bahman@google.com]; Vivek Rao [vivekrao@google.com]; Ali Nasiri Amini [amini@google.com]; Oliver Zee [ozee@google.com]
Subject: Re: OpenX GCP contract execution issue - DBM executive support requested

+ ozee for legal advice

PRIVILEGED AND CONFIDENTIAL

Redacted - Privilege

Thanks
Nirmal

On Wed, Dec 5, 2018 at 2:39 PM David Maymudes <davidmay@google.com> wrote:
+Nirmal Jayaram who knows more Poirot specifics

On Wed, Dec 5, 2018 at 2:33 PM Roshan Khan <roshank@google.com> wrote:
+David Maymudes
+Tobias Maurer

Does the team have per-exchange impact #'s for poirot/bidding changes?

On Wed, Dec 5, 2018 at 2:03 PM Brad Bender <bradbender@google.com> wrote:
+Bahman

Is there a way of reviewing how performance has fared on the other exchanges during the same period?
OpenX has asked for an anonymized list of other exchanges performance to be able to diagnose. They are very much concerned that they have been "singled out" in this period.

Bahman had made an offer to support / partner on ways they could set themselves up better moving forward so potentially this could inform that.

Thx

Brad

On Mon, Dec 3, 2018 at 2:42 PM Roshan Khan <roshank@google.com> wrote:

Hey Brad,

There are a couple of things at play here.

- Ecosystem
 - GDPR and ITP have impacted our ability to buy on OpenX (and 3PE in general). We're mitigating to some extent (GDPR whitelist, etc) but this is the new normal and pushed YOY Q2 growth for OpenX down to ~2%.
- DBM Bidding
 - Poirot is the biggest culprit. You could say we are just getting smarter with our bidding and providing more value to our advertisers. However, we know there are some issues specifically with OpenX and the way they send us first price vs second price auctions - we treat them all the same instead of doing a different Poirot model for FirstPrice vs SecondPrice. We also made Poirot more aggressive recently allowing it to reduce a bid by up to 90%, and enabling it on even Algo based line items, which caused OpenX spend in Nov to drop 30% YoY. You could consider this the new normal as well - if we maintain our commitment to be a more aggressive performance seeking bidder.

Short story I think is to say that we don't see a path in which we spend more with OpenX in the near term, but we aren't explicitly penalizing them - we are just becoming smarter about the way we bid and the industry is penalizing 3PE in general.

On Mon, Dec 3, 2018 at 10:55 AM Brad Bender <bradbender@google.com> wrote:

Vivek, Roshan -

OpenX leadership wants to connect with me / us to learn why their trajectory of DBM spend has been in decline before signing a GCP deal. Any take on that from your pov? (We can then decide if any of it is shareable). Would moving them to a GCP solution help from your pov? (e.g. improving latency etc.)

Brad

----- Forwarded message -----

From: **Sam Cox** <samcox@google.com>

Date: Mon, Dec 3, 2018 at 10:47 AM

Subject: Re: OpenX GCP contract execution issue - DBM executive support requested

To: Brad Bender <bradbender@google.com>

Cc: Bahman Rabii <bahman@google.com>

Brad,

This is the document we discussed a while ago that gives background on the discussion. Additionally, we had teed this email up for Bahman a while ago as well.

TLDR on where we are below.

Michelle Duffy and I met, and we have a map of the trading locations shared by GCP, DV3 and AM3, which you can find [here](#). Having spoken to another former SRE on my team ([Matt Stern](#)) who also has deep understanding of RTB, and we think that there might be a way forward that we can start interrogating. Essentially, if the GCP client hosts in all the GCP data centers that are co-located with our trading locations, we think we can add incremental dwell time for buyers over what they have today without increasing end user latency. We're diagramming now but there is an increment of time between the RTB server and the trading location that is present on every call, but not disclosed to the buyer. While peering is reducing the latency between the buyer and trading location for their response, the outbound increment is never disclosed, and so if they were in our trading location, we believe we can add this time in a way that they can use to add to their dwell time, and subsequently they can allow their buyers, inclusive of DBM, more time to come up with a better bid. In our [testing](#), we pursued a [hypothesis](#) about increased revenue from increased timeouts. When we [focused on Apps](#), we found that there was a 12.68% increase in revenue from Open Bidders like OpenX. While there is increased resource usage, we are working through the economics now.

To my mind, these are things we should be doing for all participants in our ecosystem, and given how hard Amazon is fighting to win this deal away from GCP, Amazon probably agrees. Let me know if you have any questions or want to speak directly.

Best,

Sam Cox

Samuel R. Cox | AdX Group Product Manager | Buyside and Policy

"It is not enough that we do our best; sometimes we must do what is required." - Winston Churchill

On Sun, Dec 2, 2018 at 2:53 PM Brad Bender <bradbender@google.com> wrote:
+ Sam in case he has an additional insight here.

@Sam - we have a background doc on this I could see? Thx

Brad

On Sun, Dec 2, 2018, 11:50 Brad Bender <bradbender@google.com> wrote:
Hey Bahman

Did you ever have a conversation with them? What was the outcome of that? Thx

Brad

On Sat, Dec 1, 2018, 11:24 Paul Ferrand <phferrand@google.com> wrote:
Yes indeed! good catch :).

Brad B: appreciate your help

Brad C: just for you to know :)

PH

On Sat, Dec 1, 2018 at 10:58 AM Oliver Parker <oliverparker@google.com> wrote:
Adding in the right Brad.

+Brad Bender

On Sat, Dec 1, 2018, 9:55 AM Paul Ferrand <phferrand@google.com> wrote:

Tldr: As you probably know we are close to signing a very important partnership with OpenX. We need a little help from you to finalize the contract NEXT WEEK.

Hi Brad: hope you are doing well. Our team is working to close out contracts in the next week on a \$110m+ deal with OpenX to run their exchange on GCP. The CEO and President (Tim Cadogan and John Gentry) have outlined they will not sign the overall GCP agreement until they have a dialogue with our DBM leadership over their serious concerns around the DBM spend trajectory. While our team has done its best to outline we cannot comment on that side of our business and to separate the dialogues, It's clear they are looking for a dialogue with Ads leadership team and will not execute on the GCP contract until that dialogue has happened.

My team has shared that OpenX have indicated that they are not asking for anything other than context on what is happening with declining DBM spend. We recognize that spend may be out of your control, as do they, and it's color they're looking for, not commitment to revenue. They may also be looking for any changes they can make in their systems to help them optimize.

My request to you is that you and Tim Cadogan connect for a conversation. And if you feel appropriate my team and/or I would be happy to join you. Timing wise we're trying to execute contracts so would appreciate your prioritization of this for either Monday or Tuesday.

Thank you,

PH

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Paul-Henri (PH) Ferrand
President
Global Customer Operations
phferrand@google.com

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Brad Bender | VP, Product Management | bradbender@google.com | 212.381.5430

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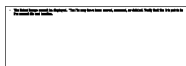
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